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KY AG Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyAG-DR-02-001

REQUEST:

- 2-1. Follow-up to KyAG-DR-01-55. This response did not include information on some of CG&E's jointly owned units (Conesville, Killen, Stuart). Please provide the requested information for all CG&E jointly-owned units that were not included in this response.

RESPONSE:

CONFIDENTIAL AND PROPRIETARY TRADE SECRET

See Attachment KyAG-DR-02-001. This will be provided to any party to this proceeding who has signed a confidentiality agreement.

WITNESS RESPONSIBLE: John J. Roebel

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KyAG-DR-02-002

REQUEST:

- 2-2. Follow-up to KyAG-DR-01-56. This response did not include information on some of CG&E's jointly owned units (Conesville, Killen, Stuart). Please provide the requested information for all CG&E jointly-owned units that were not included in this response.

RESPONSE:

CONFIDENTIAL AND PROPRIETARY TRADE SECRET

See Attachment KyAG-DR-02-002. This will be provided to any party to this proceeding who has signed a confidentiality agreement.

WITNESS RESPONSIBLE: John J. Roebel

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KyAG-DR-02-003

REQUEST:

- 2-3. Follow-up to KyAG-DR-01-56d. This exhibit shows the availability of the East Bend unit decreasing from 2000 to 2001, and again decreasing from 2001 to 2002. Please explain this downward trend and what effect this will have on the ability of ULH&P to meet its future energy needs should the sale of this unit be approved by the Commission.

RESPONSE:

The availability decrease from 2000 to 2001 was due to the tube leaks in the superheat and reheat sections in the boiler that was repaired in the 2002 major outage. The decrease from 2001 to 2002 primarily relates to the major outage in 2002. The availability for East Bend U2 as of August 2003, year-to-date is 93.06%.

WITNESS RESPONSIBLE: John J. Roebel

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KyAG-DR-02-004

REQUEST:

- 2-4. Follow-up to KyAG-DR-01-67. Please provide the source for the figures given in this response and how the figures were calculated.

RESPONSE:

During review of ULH&P's original response to this question, an error with the query of this data was discovered. The correct estimates are:

Year	Load Requirement	Purchased Power	Purchased Power as a Percentage of Load Requirement
2004	3,982,976	267,239	6.7%
2005	4,065,712	356,678	8.8%
2006	4,160,857	330,820	8.0%

This is a fractional improvement over the percentages originally quoted for 2004, 2005 and 2006 of 7.0%, 9.2% and 8.3%, respectively.

The source of the load requirement is Attachment RGS-1 from Dr. Stevie's testimony. Netting the expected generation of the assets from the load requirement derives the purchased power. The purchased power as a percentage of load requirement is calculated by dividing the purchased power by the load requirement. This response supersedes ULH&P's response to KyAG-DR-01-67.

WITNESS RESPONSIBLE: M. Stephen Harkness

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KyAG-DR-02-005

REQUEST:

- 2-5. Follow-up to KyAG-DR-01-68, Attachments KyAG-DR-01-068-A & B. Do the costs in line "F" of these exhibits contain the fixed costs in the back-up power agreement?

RESPONSE:

Yes.

WITNESS RESPONSIBLE: Diane Jenner

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KyAG-DR-02-006

REQUEST:

- 2-6. Follow-up to KyAG-DR-01-68, Attachments KyAG-DR-01-068-B. For each of the figures in line "h" please provide:
- a) The total revenues generated by these sales.
 - b) The total cost of the power sold.
 - c) The number of kwh's sold.

RESPONSE:

See Attachment KyAG-DR-02-006.

WITNESS RESPONSIBLE: Diane Jenner

Attachment KyAG-DR-02-006

	2007	2008	2009	2010	2011
a) The total revenues generated by these sales	\$7,180,000	\$6,666,000	\$5,381,000	\$5,152,000	\$4,882,000
b) The total cost of the power sold	\$3,258,000	\$2,974,000	\$2,264,000	\$2,808,000	\$2,402,000
c) The number of kwh's sold	96,000,000	86,000,000	57,000,000	81,000,000	66,000,000

REQUEST:

2-7. Follow-up to KyAG-DR-01-72. With respect to peak loads:

- a) Non-Coincident peaks are listed. Is integrated planning done for the PSI-CG&E-ULH&P system jointly, or as three separate companies, with the results of the three separate plans simply summed together?
- b) For each of the last 5 years, please supply the Coincident peaks for
 - i) The total PSI-CG&E-ULH&P system.
 - ii) The PSI system.
 - iii) The CG&E (Ohio) system.
 - iv) The ULH&P system.

RESPONSE:

- a) The forecast of load for PSI is prepared separately from the forecast for the CG&E and ULH&P systems. The CG&E and ULH&P forecasts are prepared on a consolidated basis due to the close economic ties between Northern Kentucky and Cincinnati. The ULH&P forecast is prepared as a percentage of the consolidated forecast.

The individual system non-coincident peak loads are summed to arrive at the Cinergy peak load forecast because the coincidence of the peak loads is above 99%.

See the response to KyAG-DR-02-012 concerning capacity planning.

- b) ULH&P objects to this request as it is vague and ambiguous with respect to the "PSI-CG&E-ULH&P system", and information related to PSI and CG&E peaks is not reasonably calculated to lead to admissible evidence. Notwithstanding and while not waiving this objection, ULH&P provides the following information:

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System coincident peak loads for CG&E (Ohio) and ULH&P

	Summer Peak Load MW Coincident Peaks				
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
i) Total PSI-CG&E-ULH&P system	10,387	10,932	10,446	11,182	11,429
ii) PSI system	5,703	5,903	5,715	6,088	6,182
iii) CG&E (Ohio) system	3,981	4,273	3,978	4,331	4,483
iv) ULH&P system	703	756	753	763	764

WITNESS RESPONSIBLE:

(a) Diane Jenner, Richard G. Stevie
(b) Richard G. Stevie

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KyAG-DR-02-008

REQUEST:

- 2-8. Follow-up to KyAG-DR-01-75. The answer was not responsive with respect to Woodsdale. Please provide Mr. Ege's best assessment of the remaining life of the Woodsdale units.

RESPONSE:

Based on Burns and McDonnell's experience and based on Burns & McDonnell's knowledge of the condition of Woodsdale, it can reasonably be expected that Woodsdale would provide at least 30 more years of additional service if future operations continue in a manner similar to current and historic operations.

WITNESS RESPONSIBLE:

H. Davis Ege/John J. Roebel

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KyAG-DR-02-009

REQUEST:

2-9. Follow-up to KyAG-DR-01-79. What is the annual cost of ULH&P's membership in the MISO.

RESPONSE:

In 2002, ULH&P was allocated \$757,723.96 for MISO fees.

WITNESS RESPONSIBLE: Ronald C. Snead

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KyAG-DR-02-010

REQUEST:

2-10. Follow-up to KyAG-DR-01-81. Does Ms. Rose concur with Ms. Jenner that a 16.4% reserve margin, decreasing to 15% in future years, is sufficient for ULH&P after the sale? If not, please explain why not.

RESPONSE:

Mr. Rose believes that Ms. Jenner's reserve margin targets for ULH&P are reasonable, although ICF has not performed a specific study concerning this issue.

WITNESS RESPONSIBLE:

Judah Rose/Diane L. Jenner

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KyAG-DR-02-011

REQUEST:

2-11. Follow-up to KyAG-DR-01-68B and KyAG-DR-01-84. The figures for off-system sales in these two exhibits do not seem to match-up. For example Ms. Rose shows 428 GWH of off-system sales in 2007, while Ms. Jenner shows just 96 GWH. Please explain this difference and state which figures are accurate and/or should be used in this case.

RESPONSE:

Ms. Jenner's analysis utilized conservative internal Cinergy assumptions for coal prices and variable O&M costs, whereas ICF utilized their own internal assumptions in their analysis. When ICF evaluated the level of off-system sales using Cinergy's coal price and variable O&M assumptions, the off-system sales level dropped to 160 GWh. Given that two completely different models were used, these results are reasonably similar. If all assumption differences had been eliminated, the results undoubtedly would have been even closer. In addition, if Ms. Jenner had utilized ICF's coal price and variable O&M assumptions in her analysis, the East Bend/Miami Fort 6/Woodsdale Plan would have been even more least cost in comparison to the next best plan.

Projections for the future are merely estimated values and, as such, cannot be considered to be "accurate". Rather, the levels of off-system sales in this case should be viewed as a range of potential outcomes that will ultimately depend on the actual conditions at the time in question.

WITNESS RESPONSIBLE: Judah Rose/Diane L. Jenner

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KyAG-DR-02-012

REQUEST:

2-12. Follow-up to KyAG-DR-01-101. After the proposed sale, ULH&P will be part of an integrated PSI-CG&E-ULH&P which will be planned for and dispatched together. Please explain why a reserve margin for ULH&P is being calculated separately, instead of as a part of an integrated system as Kentucky Power Company d/b/a American Electric Power is planned for as a part of the integrated AEP-East system.

RESPONSE:

While the units of PSI, CG&E, and ULH&P (after the transfer of the units) will be dispatched as an integrated system, the capacity planning will be performed for each jurisdiction on a stand-alone basis, so the calculation of a separate reserve margin for ULH&P is appropriate. The Kentucky Public Service Commission, in its order in Case No. 2001-00058, *In the Matter of the Application of the Union Light, Heat and Power Company for Certain Findings Under 15 U.S.C. § 79Z* (May 11, 2001), ordered ULH&P to file a stand-alone IRP by June 2004. ULH&P is unaware of how Kentucky Power Company's planning is performed.

WITNESS RESPONSIBLE:

Diane L. Jenner

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KyAG-DR-02-013

REQUEST:

2-13. Follow-up to KyAG-DR-01-101. For each of the last 5 years, please provide the following for the CG&E-ULH&P system:

- a) Company target reserve margin.
- b) Installed generation in MW.
- c) Time of system peak.
- d) System coincident peak.
- e) Capacity available at time of system peak.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET

See Attachment KyAG-DR-02-013. This will be provided to any party to this proceeding who has signed a confidentiality agreement.

WITNESS RESPONSIBLE:

Diane L. Jenner

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KyAG-DR-02-014

REQUEST:

2-14. Follow-up to KyAG-DR-01-101. Assuming the proposed asset transfer takes place in 2004, for the years 2004 through 2013, please provide the following:

- a) ULH&P projected load in MW.
- b) ULH&P generating capacity in MW.
- c) ULH&P target reserve margin.
- d) ULH&P projected reserve margin.
- e) Type and amount (in MW) of new capacity ULH&P expects to add in the year.
- f) CG&E (Ohio) projected load in MW.
- g) CG&E (Ohio) generating capacity in MW.
- h) CG&E (Ohio) target reserve margin.
- i) CG&E (Ohio) projected reserve margin.
- j) Type and amount (in MW) of new capacity CG&E (Ohio) expects to add in the year.
- k) Target reserve margin for the PSI-CG&E-ULH&P system.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET
AS TO ATTACHMENT SECTIONS (f) THROUGH (k) ONLY

See Attachment KyAG-DR-02-014. Sections (f) through (k) of the attachment are Confidential Proprietary Trade Secret and will be provided to any party to this proceeding who has signed a confidentiality agreement.

WITNESS RESPONSIBLE:

Diane L. Jenner

Attachment KyAG-DR-02-014

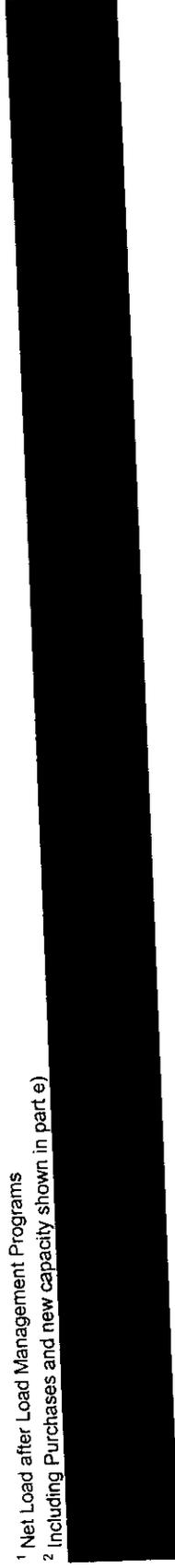
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
a) ULH&P Forecasted Load ¹	857	869	877	889	899	913	928	942	956	971
b) ULH&P Generating Capacity ²	1077	1077	1077	1077	1077	1077	1077	1102	1127	1147
c) ULH&P Target Reserve Margin	16.7	16.6	16.5	16.4	16.3	16.1	16.0	15.9	15.7	15.6
d) ULH&P Projected Reserve Margin	25.7	24.0	22.9	21.2	19.8	18.0	16.1	17.0	17.9	18.2
										70 MW
										Coal Unit

e) ULH&P New Capacity Expected



¹ Net Load after Load Management Programs

² Including Purchases and new capacity shown in part e)



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KyAG-DR-02-015

REQUEST:

2-15. Follow-up to KyAG-DR-01-101. Under the proposed sale, ULH&P is required to have a back-up contract with CG&E to provide back-up power when the East Bend and Miami Fort 6 units are off-line. Please explain why the contract does not also provide ULH&P a payment when the ULH&P units provide back-up to CG&E when CG&E units are off-line?

RESPONSE:

The Back-up PSA provides for a capacity charge and an energy charge. ULH&P will pay CG&E a capacity charge because, under the Back-up PSA, CG&E will need to have its units available on a stand-by basis to serve ULH&P back-up power. This limits CG&E's opportunities to sell power to third parties. On the other hand, ULH&P has no obligation to have its unit available on a stand-by basis to serve CG&E (in other words, while ULH&P may sell power to CG&E under the PSOA, it is under no obligation to provide back-up power to CG&E), so it is not appropriate for CG&E to pay ULH&P a capacity charge.

With regard to the energy charge, the generation from East Bend and Miami Fort 6 will first be assigned to ULH&P load. To the extent that these units, under economic dispatch, generate additional MWhs beyond ULH&P's needs, ULH&P will be paid the hourly market price for this power under the PSOA.

WITNESS RESPONSIBLE:

M. Stephen Harkness/Diane L. Jenner

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KyAG-DR-02-016(a)

REQUEST:

- 2-16. Follow-up to KyAG-DR-01-102. In this response, one of the reasons given that ULH&P should buy the Woodsdale units is that they are part of a package that includes baseload capacity at "extremely attractive prices".
- a) Does this response mean that the only way CG&E will transfer attractive base load capacity to ULH&P is if ULH&P also takes expensive peaking capacity as part of a complete package.

RESPONSE:

CG&E has proposed a package of generating assets to ULH&P, which provides a reasonable balance of overall costs to customers. ULH&P has determined that this package represents the least cost in terms of the alternatives reasonably available to it, and is proposing this asset transfer as a package. If the Commission determines that this package is not the least cost alternative reasonably available to ULH&P, ULH&P will have to explore other alternatives for meeting the Commission's desires for ULH&P to secure a long term, reliable supply of electric generation at stable prices.

WITNESS RESPONSIBLE:

Gregory C. Ficke

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KyAG-DR-02-016(b)

REQUEST:

2-16. Follow-up to KyAG-DR-01-102. In this response, one of the reasons given that ULH&P should buy the Woodsdale units is that they are part of a package that includes baseload capacity at "extremely attractive prices".

b) Would CG&E agree that the cost of the Woodsdale units is rather high in the current market for combustion turbines?

RESPONSE:

CG&E is unaware of offers for sale of, and the prices for, other similar units connected to CG&E's transmission system.

CG&E believes that it has offered to ULH&P a package of generation assets reasonably suited to meet ULH&P's needs at an attractive price.

WITNESS RESPONSIBLE:

M. Stephen Harkness

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KyAG-DR-02-017

REQUEST:

2-17. Follow-up to KyAG-DR-01-104. This response mentions a load decrease resulting from electric choice in Ohio.

- a) Please supply the number of electric customers CG&E has lost in Ohio due to customer choice.
- b) Please supply the number of electric customers CG&E has gained in Ohio due to customer choice.
- c) Please supply the Kwh sales CG&E has lost in Ohio due to customer choice.
- d) Please supply the Kwh sales CG&E has gained in Ohio due to customer choice.
- e) Please supply the KW load CG&E has lost in Ohio due to customer choice.
- f) Please supply the KW load CG&E has gained in Ohio due to customer choice.
- g) Please provide the current load forecast for CG&E (Ohio).

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET
AS TO RESPONSE TO (g) ONLY

- a) As of September 5, 2003, the number of electric accounts that have chosen an alternate supplier is 24,273.
- b) CG&E has not gained any electric customers in Ohio due to customer choice.
- c) The annual level of MWH associated with the electric accounts that have chosen an alternate supplier is 3,888,497 MWH.
- d) CG&E has not gained any electric sales due to customer choice in Ohio.
- e) The summer peak level of MW associated with the electric accounts that have chosen an alternate supplier is 669 MW.
- f) CG&E has not gained any electric peak load due to customer choice in Ohio.
- g) The load forecast for CG&E (Ohio) is provided below in the same format as Exhibit RGS-1. This attachment is CONFIDENTIAL PROPRIETARY AND TRADE SECRET and will be provided to any party to this proceeding who has signed a confidentiality agreement.

WITNESS RESPONSIBLE:

Richard G. Stevie

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KyAG-DR-02-018

REQUEST:

- 2-18. Follow-up to KyAG-DR-01-104. This response refers to “a reasonable mix of generating assets. Under the proposed transfer of assets to ULH&P, 44% of its generating assets will be peaking capacity, while only 8% of CG&E’s generation will be peaking capacity.
- a) Please provide any studies and calculations that demonstrate that 44% is the proper level of peaking capacity for ULH&P.
 - b) Please provide any studies and calculations that demonstrate that 8% is the proper level of peaking capacity for CG&E.
 - c) Please explain how/why Cinergy planning has determined that “a reasonable mix of generating assets” for ULH&P should consist of five and a half times the percentage of peaking capacity that is appropriate for CG&E?
 - d) Please provide a list of all utilities in the Midwest region that have a generation mix consisting of 44% or higher peaking capacity.

RESPONSE:

- (a) Such studies and calculations do not exist.
- (b) Such studies and calculations do not exist.
- (c) The list of generating assets has been proposed as a package and CG&E has not offered to sell ULH&P any different mix of generating assets. While ULH&P might design a different mix of generating assets if it were going to build new generating units, this overall mix of generating assets is reasonable for ULH&P, and these generating assets provide a mix of base load coal-fired, intermediate load coal-fired and peak load gas-fired generating units that is adequate to serve the present needs of ULH&P customers and will provide many years of future service.
- (d) ULH&P does not have such a list.

WITNESS RESPONSIBLE: M. Stephen Harkness

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KyAG-DR-02-019

REQUEST:

2-19. Follow-up to KyPSC-DR-01-044a. With respect to "Selection of East Bend", please explain why only the largest coal units were considered, instead of a mix of smaller units or larger units in which CG&E owns a minority interest.

RESPONSE:

See response to KyPSC-DR-02-005.

WITNESS RESPONSIBLE: M. Stephen Harkness

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KyAG-DR-02-020

REQUEST:

- 2-20. Follow-up to KyPSC-DR-01-044a. With respect to "Selection of Woodsdale"
- a) Please explain why CG&E's older units having lower book values were not considered.
 - b) Please explain why the only consideration included all 6 of the Woodsdale units rather than just the 3 units (about 280 MW) considered optimal in Ms. Jenner's IRP analysis.

RESPONSE:

- a. See response to KyPSC-DR-02-005.
- b. See response to KyPSC-DR-02-005.

WITNESS RESPONSIBLE: M. Stephen Harkness

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KyAG-DR-02-021

REQUEST:

2-21. Follow-up to KyPSC-DR-01-044b. With respect to the only other option considered, a portion of Zimmer, please explain why only CG&E's most expensive unit was considered rather than any other CG&E unit or unit in which CG&E owns a minority interest.

RESPONSE:

See response to KyPSC-DR-02-005.

WITNESS RESPONSIBLE: M. Stephen Harkness

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KyAG-DR-02-022

REQUEST:

- 2-22. Follow-up to KyAG-DR-01-48. In Figure 1-4 on page 1-42 of the 1999 Cinergy IRP, projected New Resource Additions for CG&E are listed. This plan calls for 196 MW of new CT's in 2003, 1106 MW of new CT's in 2004, 289 MW of new CT's in 2005, and 136 MW of new CT's in 2006. Thus, this plan calls for CG&E to add 1727 MW of new CT's by 2007, when ULH&P customer will begin paying for purchased capacity under the proposed asset transfer:
- a) How much of this capacity is currently under construction.
 - i) Where is it located?
 - ii) What is the capacity rating in MW?
 - iii) What is the projected cost of this capacity?
 - iv) What entity will own this capacity?
 - v) What is the expected completion date?
 - b) How much of this capacity is permitted but not yet under construction.
 - i) Where is it located?
 - ii) What is the capacity rating in MW?
 - iii) What is the projected cost of this capacity?
 - iv) What entity will own this capacity?
 - v) What is the expected completion date?
 - c) How much of this capacity has CG&E made commitment for that is not yet permitted or under construction.
 - i) Where is it located?
 - ii) What is the capacity rating in MW?
 - iii) What is the projected cost of this capacity?
 - iv) What entity will own this capacity?
 - v) What is the expected completion date?
 - d) For any capacity need projected in the IRP that isn't being met with new CT's, please provide a detailed description of how CG&E intends to meet the need.
 - e) Could ULH&P take any of this planned capacity, instead of buying the Woodsdale units?

RESPONSE:

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AS TO RESPONSES (c) and (d) ONLY

- a) None
- b) None

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- c) **Response is Confidential Proprietary Trade Secret, and will be provided to any party to this proceeding who has signed a confidentiality agreement.**
- d) **Response is Confidential Proprietary Trade Secret, and will be provided to any party to this proceeding who has signed a confidentiality agreement.**
- e) No (see a-d above).

WITNESS RESPONSIBLE: Diane L. Jenner

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KyAG-DR-02-023

REQUEST:

2-23. Follow-up to KyPSC-DR-01-003a. Please provide the industry studies demonstrating that turbines could be operated for longer intervals of time between major maintenance outages without any excessive deterioration in the efficiency of the units.

RESPONSE:

ULH&P reviewed its files for such studies, but was unable to locate any. ULH&P has asked Sargent & Lundy, an outside engineering firm, to provide copies of such studies. If ULH&P is able to obtain copies of such studies from Sargent & Lundy, it will supplement this response.

WITNESS RESPONSIBLE: John J. Roebel

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KyAG-DR-02-024

REQUEST:

2-24. Follow-up to KyPSC-DR-01-004. The response states that ULH&P will acquire the right to use the currently unused landfill (after the currently used land fill is filled). Please provide any terms pertaining to the use of the new landfill, including any potential fees that ULH&P will be paying for the use.

RESPONSE:

See response to KyPSC-DR-02-01(a).

WITNESS RESPONSIBLE: John J. Roebel

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KyAG-DR-02-025

REQUEST:

2-25. Follow-up to KyPSC-DR-01-014. Please provide any studies, reports, cost analyses, etc. prepared regarding the potential use of cooling towers at Miami Fort 6.

RESPONSE:

There are no studies, reports, cost analyses, etc. on the potential use of cooling towers at Miami Fort 6.

WITNESS RESPONSIBLE: John J. Roebel

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KyAG-DR-02-026

REQUEST:

2-26. Follow-up to KyPSC-DR-01-051a. Please provide Attachment KyPSC-01-051a as referred to in the response.

RESPONSE:

Please see the response to KyPSC-DR-02-027a for the attachment that was inadvertently left off of the original response.

WITNESS RESPONSIBLE: John P. Steffen

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Response Due Date: September 17, 2003

KyAG-DR-02-027

REQUEST:

2-27. Follow-up to KyPSC-DR-01-051c. Please provide the workpapers supporting the estimated ADITC balance at June 30, 2004.

RESPONSE:

Attachment KyAG-02-027 provides the calculation of the estimated ADITC balance at June 30, 2004.

WITNESS RESPONSIBLE: John P. Steffen

The Cincinnati Gas & Electric Co.
 Estimated Remaining ADITC Balances
 As of June 30, 2004

	<u>Miami Fort #5&6</u>	<u>East Bend</u>
3% ITC Basis	56,022	0
3% Accumulated Amortization	(55,973)	0
4% ITC Basis	143,024	4,781
4% Accumulated Amortization	(127,143)	(3,615)
10% ITC Basis	2,409,931	23,686,291
10% Accumulated Amortization	(1,977,286)	(17,363,216)
ADITC Balance	<u>448,577</u>	<u>6,324,242</u>
Balances after write down of 3% and 4% @ 83.134% to RTC		
3% ITC Basis	9,449	0
3% Accumulated Amortization	(9,440)	0
4% ITC Basis	24,122	806
4% Accumulated Amortization	(21,444)	(610)
10% ITC Basis	2,409,931	23,686,291
10% Accumulated Amortization	(1,977,286)	(17,363,216)
ADITC Balance	<u>435,333</u>	<u>6,323,271</u>
Miami Fort #6 Estimated Allocation Percent	<u>17.60%</u>	
Miami Fort #6 Estimated Balance	<u>76,619</u>	

KY AG Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyAG-DR-02-028

REQUEST:

2-28. Follow-up to KyPSC-DR-01-053e. Please provide a copy of the depreciation study currently being prepared by Gannett Fleming as soon as it is complete.

RESPONSE:

CG&E's depreciation study on production facilities is complete. It is anticipated that the final report will be issued by Gannett Flemming, Inc, by the end of September, 2003. If Woodsdale, East Bend and Miami Fort Unit 6 are transferred to ULH&P, a new study will have to be performed in order to incorporate the cost of removal components of the depreciation rate. Since CG&E is non-regulated for electric production, costs of removal are expensed under FAS 143.

A copy of the report will be furnished when it is available.

WITNESS RESPONSIBLE: John P. Steffen

KY AG Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyAG-DR-02-029

REQUEST:

2-29. Follow-up to KyAG-DR-01-016. Please explain the increase in net generation in 2001. Also, please explain the reason for the reduction in equivalent availability in 2002.

RESPONSE:

CONFIDENTIAL AND PROPRIETARY TRADE SECRET

This will be provided to any party to this proceeding who has signed a confidentiality agreement.

WITNESS RESPONSIBLE: John J. Roebel

KY AG Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyAG-DR-02-030

REQUEST:

2-30. Follow-up to KyAG-DR-01-035. Please provide the requested information in electronic format, as originally requested.

RESPONSE:

Please see the enclosed disk for the electronic information of KyAG-DR-01-035.

WITNESS RESPONSIBLE: John J. Roebel

KY AG Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyAG-DR-02-031

REQUEST:

- 2-31. Follow-up to KyAG-DR-01-043 CONFIDENTIAL. Please refer to the March 26, 2003 Advanced Turbine Support Gas Turbine Borescope Inspection Report for Woodsdale Unit 5 provided in the response. Also refer to the June 17, 2000 Capital Expenditure Authorization (bates pages 01-02) that is directly behind the Inspection Report.
- a) Was the Major "C" overhaul requested in the Capital Expenditure Authorization performed? If so, when was it performed?
 - b) If the overhaul was performed, did it include the items listed in the Inspection Report?
 - c) Please provide all reports relating to this overhaul and the actual costs incurred.
 - d) If the items listed in the Inspection Report were overhauled during the overhaul, please explain how they came to be in such poor condition by the 2003 inspection.

RESPONSE:

CONFIDENTIAL PROPRIETARY TRADE SECRET

This will be provided to any party to this proceeding who has signed a confidentiality agreement.

WITNESS RESPONSIBLE: John J. Roebel

KY AG Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyAG-DR-02-032

REQUEST:

2-32. Follow-up to KyAG-DR-01-045. Please provide un-redacted versions of the material provided in the response.

RESPONSE:

The un-redacted version of KyAG-DR-01-045 was provided in the material filed under seal on September 2, 2003 and also provided to the Attorney General's office as they have signed a confidentiality agreement.

WITNESS RESPONSIBLE: Gregory C. Ficke

KY AG Data Requests Set No. 2
Case No. 2003-00252
Date Received: September 10, 2003
Response Due Date: September 17, 2003

KyAG-DR-02-033

REQUEST:

2-33. Follow-up to KyAG-DR-01-045. Please provide the "ULH&P Elec. Supply" presentation discussed on bates page 000282 of the response.

RESPONSE:

The presentation "ULH&P Electric Supply" was provided in KyAG-DR-01-045 Supplemental which was submitted on September 9, 2003.

WITNESS RESPONSIBLE: Gregory C. Ficke